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September 27, 2005

BY E-FILE AND OVERNIGHT DELIVERY

Mary L. Cottrell, Secretary  
Department of Telecommunications and Energy  
One South Station  
Boston, MA 02110

Re: D.T.E. 01-106-B

Dear Ms. Cottrell:

Enclosed for filing, on behalf of Bay State Gas Company ("Bay State"), please find an original and six (6) copies of Bay State's supplemental responses to DTE-1-4 SUPPLEMENT and DTE-1-5 SUPPLEMENT, which were issued in this docket on September 2, 2005.

Please do not hesitate to telephone me with any questions whatsoever.

Very truly yours,

Patricia M. French

cc: Jeannie Voveris, Senior Counsel  
Elizabeth A. Cellucci, Hearing Officer  
Robert Sydney, Esq., DOER

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
FIRST SET OF INFORMATION REQUESTS FROM D.T.E.  
D.T.E. 01-106-B

Date: September 27, 2005

Witness Responsible: Thomas R. Birmingham

**SUPPLEMENTAL RESPONSE**

DTE 1-4 Please provide a detailed explanation of the company's existing traditional outreach methods (i.e., not including the computer matching program) to ensure that the low-income discount rate is available to eligible customers. How often is each method of outreach conducted? What is the protocol for signing up new customers for the low-income discount rate under these traditional outreach methods? What is the protocol for removing customers from the low-income rate under traditional outreach methods.

RESPONSE: The Company representative who is responsible for Massachusetts low-income outreach programs is out of the country until the week of September 19, 2005. Bay State will supplement its response to this question as soon as they return. See also the Company's response to DTE-1-5.

**SUPPLEMENTAL**

RESPONSE: The following is an overview of Bay State's traditional low-income customer outreach, enrollment, and renewal/removal activities:

**Outreach**

The Company notifies all of its customers of the availability of low-income rates through a variety of communication channels, including bill inserts, call center-customer contact, independent mailings, the web site, and newsletter. Below is a brief description of each channel.

- (a) Bill Inserts: On an annual basis, a bill insert is included with all residential account bills. The bill insert includes a description of the Low Income Rate Program and a hard copy postage-paid application that the customer may complete and return to the Company to apply for the program. Upon receipt of the application, the customer's information is saved to a file that is exchanged with the DTA monthly for verification that the customer is receiving one of the approved program benefits.
- (b) Call Center Customer Contact: Customer Service Representatives ("CSR's") are trained to identify potential candidates for the program through various interactions between the customer and the Company. Applications are mailed to customers if it seems likely that the customer qualifies for a program but is not currently receiving the low-income rate. The CSR's are also trained on the Company's energy efficiency program, including the low-income energy efficiency program, which provides additional assistance to customers trying to manage energy costs.

- (c) Independent Mailing: The Company has retained a mailing firm to send each new DTA recipient a letter that describes the program, and includes an application that may be completed and returned to the Company. Upon receipt of this form, the customer is immediately enrolled in the low-income rate program.
- (d) Company Web Site: The very first page of the Company's web site contains links to pages where information about the low-income rate program is displayed. There are links to access the information in Spanish if so desired by the customer. The customer has the ability to apply for the program on line by submitting an electronic application. The electronic applications follow the same process as the bill insert application discussed above.
- (e) Newsletter: Messages about assistance program availability and income guidelines are included in the Company's customer newsletters that are included with customer bills throughout the year.

#### **Enrollment Protocol**

Bay State's procedures for enrolling customers in the program are based on verification of the customer's receipt of a means tested public benefit or eligibility for Fuel Assistance.

Fuel Assistance Recipients-LIHEAP agencies in our service territories provide the Company with lists of approved program participants and the customers are immediately enrolled in the Company's program. Upon notification of eligibility, a review of the customer's account record is completed to determine the customers rate. If the customer is not presently on the low income rate, a retroactive adjust/rebill is initiated if necessary to enable the customer to have the benefit of the low income rate at the start of the current fuel assistance program year, that being November 1.

Existing DTA Recipients- upon receipt of a completed bill insert application or an on-line electronic application the customer's account information is entered into a file that is transmitted electronically to the DTA on a monthly basis. The DTA reviews the information in the file and returns a report to the Company that identifies customers that it has verified are receiving a benefit and those that are not. The customers that are verified by the DTA as receiving a benefit are immediately enrolled in the Company's low-income rate program.

New DTA Recipients-upon receipt of a completed application contained in the letter sent by the mailing house retained by the Company, the customer is immediately enrolled in the Company's low income rate program.

Customers presenting the Company proof of eligibility of a program where income is certified at or below 175 percent of the poverty level are enrolled in the program upon receipt of such eligibility in writing or through verbal contact with an administrator of such organizations. (e.g. Veteran's Benefits)

#### **Renewal/Removal Protocol**

With regard to Fuel Assistance recipients, the customer will remain on the low income rate program until March 31 of the next fuel program year, thus allowing the customer the time needed to reapply for the program in the next heating season. If the customer is not approved for fuel assistance in the next program

year, and the customer is not eligible for the low income rate due to participation in another means tested program, the customer will be removed from the low income rate program effective March 31 of that year.

With regard to DTA recipients, a file is transmitted to the agency on an annual basis. The file includes all customers currently enrolled in the Company's low income rate program due to eligibility of a DTA program. The agency performs a verification of each name on the list and returns a report to the Company indicating the status of each customer's benefit program. If the customer continues to receive the benefit, the customer remains on the low income rate program. If the agency verifies that the customer is no longer receiving a benefit, the customer is removed from the low income rate program, unless they are eligible for the program due to participation in another means tested program.

With regard to other means tested programs not covered by the above procedures, the Company conducts a manual annual review of the participants, communicating with these customers by telephone and mail to request proof of continued participation. The process allows the customer time to provide the Company with updated documentation demonstrating current enrollment. If the customer fails to respond to this effort, eligibility for the rate due to this program shall expire, and the customer is removed from the program unless they are eligible for the program due to participation in another means tested program.

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**SUPPLEMENTAL RESPONSE**

DTE 1-5      Please provide a detailed explanation of how customers are recertified as eligible for the low-income discount rate each year under the traditional outreach process. How often does the recertification process occur? Are customers removed from the low-income discount rate until the customer confirms that he/she continues to be eligible for the low-income discount rate? If so, how are these customers tracked?

RESPONSE: The Company representative who is responsible for Massachusetts low-income outreach programs is out of the country until the week of September 19, 2005. Bay State will supplement its response to this question as soon as they return. See also the Company's response to DTE-1-4.

**SUPPLEMENTAL**

RESPONSE: Please see the Company's response to Information Request DTE-1-4 SUPPLEMENTAL regarding "Renewal/Removal Protocol."